

United States Senate
WASHINGTON, DC 20510-0908

March 28, 2022

The Honorable Richard Glick
Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

Dear Chairman Glick:

We write to express strong concern with two policy statements issued by the Federal Energy Regulatory Commission (FERC) on February 17, 2022, which are apparently designed to delay and prevent the certification of needed natural gas projects. Energy markets are experiencing historic uncertainty and disruption, and American and world leaders are working to combat such challenges and pivot energy supply chains away from autocratic regimes. FERC's issuance of these policies, which further undermine certainty in the sector, is particularly derelict. We urge you to rescind these policy statements immediately.

The Natural Gas Act charges FERC with permitting interstate natural gas transportation facilities determined to be in the public interest. The act specifically instructs FERC to certify the projects based on a standard of public convenience and necessity. Such standard is guided by one of the act's principal aims: "to encourage the orderly development of plentiful supplies of electricity and natural gas at reasonable prices." The February 17 policy statements seek to expand the role of FERC in this process in a way that neglects the law.

FERC's stated intent for issuing the recent "Policy Statement Regarding Certification of New Interstate Natural Gas Facilities" is to "clarif[y] how the Commission will execute its public interest obligations under the Natural Gas Act."¹ However, rather than strictly clarifying how FERC would balance environmental concerns with economic benefits, the policy statement incorporates FERC's intention to evaluate the merits of a project based on a subjective parameter, "environmental justice and equity." Notably, instead of discussing the requirements of existing regulations for securing a public convenience and necessity determination, the statement outlines the Commission's expectations without a discussion on how they will be weighed. This is a clear attempt to avoid a formal rulemaking process in order to preempt legal action against a policy evidently intended to delay and prevent project certifications, undermine certainty in the determination process, and deter investment in the natural gas sector.

The Commission's other policy, "Policy Statement Regarding Consideration of Greenhouse Gas Emissions in Natural Gas Infrastructure Reviews" is an attempt to expand the purview of FERC's regulatory authority to include consideration of greenhouse gas (GHG) emissions resulting from the upstream production and downstream combustion of transported gas, instead of solely considering emissions from a project's construction and operation. With this policy, FERC seeks to grant itself the authority to condition project certification on a project sponsor's ability to mitigate upstream and

¹ <https://www.ferc.gov/news-events/news/ferc-updates-policies-guide-natural-gas-project-certifications>

downstream GHG emissions, for which they are not directly responsible. The Commission does not have the authority to regulate or consider either of these factors. It is clear that this improper policy is intended to burden applicants and dissuade the submission of applications.

Florida is home to nearly 22 million people who heavily rely on clean and reliable natural gas for their electricity. Natural gas has allowed Florida to reduce its carbon emissions significantly since 2001, when 36 percent of Florida's electricity was generated from coal. Specifically, this critical resource has allowed Florida to reduce its electric power industry carbon emissions from 129.8 metric tons in 2001 to 96.7 metric tons in 2020—a 25.5 percent decrease—despite a population increase of over five million people in that same period of time.² In 2020, only 7 percent of Florida's electricity was generated with coal, thanks in large part to the shale revolution, which has empowered Florida power utilities to generate approximately three-quarters of Florida's electricity with natural gas from just four interstate pipelines and two intrastate pipelines.

It is undeniable that natural gas is critical to providing clean, reliable, and affordable electricity to the people of Florida and will continue to be as the state's population and economy continue to grow. Electricity providers in Florida are also seeking to expand their deployment of renewable energy technologies such as solar. The intermittent nature of these technologies requires that they be paired with reliable energy inputs, such as natural gas-based electricity generation. In reality, demand for natural gas may continue to grow as electricity providers expand their deployment of renewable energy. We fear that the implementation of FERC's policy statements, which are designed to impede the approval of natural gas infrastructure, will directly harm Florida ratepayers and will stifle our state's economy.

It is also worth noting that these policy statements undermine the certainty that America's European allies can turn to the United States as a reliable source of liquefied natural gas as they seek to pivot their supply chains away from Russia and no longer be at the mercy of Vladimir Putin. The events of the last several months demonstrate that it is in America's national security interest to promote sending American-produced natural gas to Europe. FERC's policies to intentionally send mixed market signals and harm energy market stability play right into Putin's hands and will embolden dictators and mass murderers everywhere to weaken the integrity and solidarity of America's alliances by threatening energy supply access.

FERC's deliberate efforts to undermine America's economic stability and national security are not just irresponsible; they are downright dangerous and shameful. We urge you to rescind these policy statements immediately.

Sincerely,



Marco Rubio
U.S. Senator



Rick Scott
U.S. Senator

² <https://www.eia.gov/electricity/state/archive/062901.pdf>; <https://www.eia.gov/electricity/state/florida/>